

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY



NEWS RELEASE

Arnold Schwarzenegger, Governor

FOR IMMEDIATE RELEASE

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GOV. SCHWARZENEGGER PROCLAIMS APRIL 2006

“CALIFORNIA FINANCIAL LITERACY MONTH”

*Department of Financial Institutions and Department of Corporations
join together to urge Californians to “Prepare Now for a Strong Financial Future”*

SACRAMENTO—The state Department of Financial Institutions (DFI) and the state Department of Corporations (DOC) will partner during this year’s annual California Financial Literacy Month to highlight the month’s theme of “Prepare Now for a Strong Financial Future.” Efforts to coordinate and expand financial literacy will help to raise awareness of the importance of financial education and consumer protection. Californians’ consumer debt level and low savings rate underscores the great need for consumers to obtain the necessary skills and financial education to improve their economic futures.

Californians’ personal income grew 1.6 percent in the fourth quarter of 2005 from the previous quarter, according to estimates released on March 28, 2006, by the U.S. Department of Commerce. Despite the growth in personal income, the total loans to individuals during the past year, including credit card debt, grew by an 18.7 percent annual rate, based on information by Federal Deposit Insurance Corporation’s insured financial institutions in California. In addition, the U.S. Department of Commerce reported that the personal savings rate nationwide was a negative 0.7 percent in January 2006.

“Financial education not only protects our citizens from fraud, but also empowers them to achieve their dreams,” said acting Corporations Commissioner Wayne Strumpfer. “Serious financial issues can negatively affect consumers economic well-being and prosperity.”

“Financial literacy is a process beginning with education and understanding,” said acting Financial Institutions Commissioner Brian Yuen. “We realize this goal by educating the public about all aspects of financial security through our coalition of major public- and private-sector partners.”

During California Financial Literacy Month, DFI and DOC will be involved in events and activities to highlight such financial literacy themes as savings and investment, fraud and financial abuse, credit and lending, and financial readiness.

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For more information on California Financial Literacy Month, please see the attached proclamation, or visit DFI's Web site at www.dfi.ca.gov and DOC's Web site at <http://www.corp.ca.gov/pressrel/06/corp/nr0604a.pdf>.

DFI supervises more than 700 financial institutions. The Department is responsible for administering state laws regulating state-licensed financial institutions including banks, credit unions, industrial banks, savings associations, trust companies, offices of foreign banks, issuers of travelers' checks and payment instruments (money orders), and transmitters of money abroad.

DOC is California's investment and financing authority and is responsible for the regulation, enforcement, and licensing of securities, franchises, off-exchange commodities, investment and financial services, independent escrows, consumer and commercial finance lending, residential mortgage lending, and payday lenders. Contact our toll-free consumer resource center at 1-866-ASK-CORP (275-2677) for information or to obtain a consumer complaint form.

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EXECUTIVE DEPARTMENT

STATE OF CALIFORNIA



PROCLAMATION
by the
Governor of the State of California

Financial literacy empowers Californians to make wise financial decisions and become responsible workers, heads of households, investors, entrepreneurs and business leaders. A strong education in finance is also the first line of defense against consumer fraud, abuse and mismanagement of funds.

The U.S. Department of Commerce reported that Californians' personal incomes grew 1.5 percent in the second quarter of 2005 from the previous quarter. Despite that growth, the Federal Deposit Insurance Corporation found that consumer debt in our state, including credit card debt, increased five percent through the third quarter last year. These statistics demonstrate the great need for Californians to obtain the necessary skills and financial education to improve their economic futures.

During California Financial Literacy Month, the state Department of Financial Institutions and Department of Corporations will partner with educational and governmental entities, private sector financial institutions, and community groups to support this year's theme to "Prepare Now for a Strong Financial Future." All citizens are encouraged to take full advantage of free financial management programs and activities provided throughout the state.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, do hereby proclaim April 2006, as "California Financial Literacy Month."



IN WITNESS WHEREOF I have here unto set my
hand and caused the Great Seal of the State of California to be
affixed this the twenty-second day of March 2006.

/s/ Arnold Schwarzenegger
Governor of California